

Chapter 4: Managing Poland's development co-operation

Institutional system

Indicator: The institutional structure is conducive to consistent, quality development co-operation

Poland has sound institutional foundations for its development co-operation. It continues to strengthen its structures and systems on the basis of experience. The Ministry of Foreign Affairs uses the multiannual programming process and annual planning effectively as tools to co-ordinate Polish aid and to raise awareness and ownership of the overall strategic objectives. Poland should build on these achievements by making the most of synergies among activities financed by the special reserve budget and other ministries. The structure and systems in the Development Cooperation Department reflect its responsibilities and the current business model. However, the business model needs to be adapted to ensure that Polish aid is capable of responding in a timely manner to changing development co-operation priorities, including the Sustainable Development Goals, and needs in partner countries.

The Ministry of Foreign Affairs takes a strong lead on policy and strategy, but less on implementation

Since joining the DAC in 2013, Poland has continued to strengthen its system for delivering development co-operation (see Annex B for an illustration of the system). This is evident in the stronger leadership role played by the Ministry of Foreign Affairs' (MFA) Department of Development Cooperation (DDC). A range of Polish stakeholders acknowledged this positive evolution to the peer review team.

The MFA has strengthened its position and legitimacy as institutional leader. It has done so through its growing exposure to and experience with managing development co-operation, and its greater understanding of how to improve the delivery and impact of Polish aid (Chapter 2) in line with international good practice.¹

A challenge for Poland as it seeks to increase the efficiency and effectiveness of its ODA (MFA, 2015a) is to ensure that all institutional actors in the system meet their policy priorities and international commitments. As the "authorising officer" of ODA transfers from the special reserve budget, the MFA has the authority and capacity to approve and evaluate projects, ensure they focus on priorities and follow principles for making aid effective aid. However, at PLN 113 million (EUR 28.3 million), the special reserve budget accounts for just 29% of Poland's bilateral ODA and 10% of total ODA.² Other aid-spending ministries (e.g. Finance and Education) are responsible for a large share of bilateral ODA (Figure 4.1). These ministries have all committed to deliver on Poland's strategic priorities, which are approved by the Council of Ministers, but it is hard to tell how the priorities influence their ODA decisions in reality. In addition, the 2011 Act for Development Cooperation gives the Ministry of Finance autonomy to decide on Poland's concessional lending and debt relief, although it should consult with Foreign Affairs (GOVPL, 2011, article 9).

Annual financial planning ensures internal, cross-government co-ordination

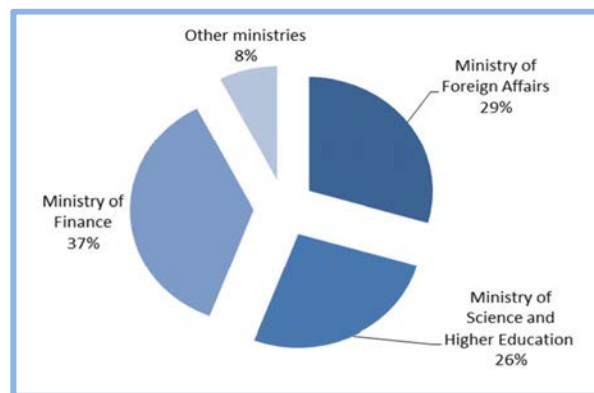
As mentioned in Chapter 2, the 2011 act provides a solid and flexible foundation for building and co-ordinating the Polish aid system. The act provides clear governance rules. It makes the Ministry of Foreign Affairs the institution responsible for defining development co-operation policy and strategy, and for co-ordinating, planning and implementing the Multiannual Development Cooperation Programme (MFA, 2015a) and the annual financial plans for development co-operation.

Since 2011, the Ministry of Foreign Affairs has played an active role in building ownership of the multiannual programmes, in approving and evaluating projects, and in gathering statistical and monitoring reports as stipulated by the 2011 Act. Given Poland's relatively short history of development co-operation, building awareness of good practice and getting buy-in from a range of institutional actors is crucial for building a cohesive, whole-of-government development programme that is in line with international good practice. The MFA uses the multiannual cooperation programme and the annual plans effectively to co-ordinate development co-operation and for increasing the transparency and awareness of the activities supported and implemented by Poland.

The current process whereby other government departments submit project proposals to be financed by the special reserve budget is useful for ensuring consistency with overall objectives, although there is scope to improve synergies among the various activities financed by the special reserve. Involving the Ministry of Foreign Affairs' geographical units in reviewing project proposals supports the Department of Development Cooperation with in-house expert knowledge, while also promoting more coherent foreign and development policy messages about priority countries.

The Development Cooperation Policy Council, which meets twice a year, is a forum for exchanging views among its diverse membership³ on strategic priorities and as a channel for members to provide opinions on strategic priorities (MFA, 2016). Its broad membership gives the council the potential to encourage more active communication about Polish aid to members' constituencies and to stimulate political and public debate on development.

Figure 4.1 Share of Polish gross bilateral ODA managed by different ministries, 2014



Source: Authors' calculations based on OECD (2016), "Creditor Reporting System: Aid activities", *OECD International Development Statistics* (database), accessed 5 July 2016, <http://dx.doi.org/10.1787/data-00061-en>; OECD (2016), "Detailed aid statistics: Official and private flows", *OECD International Development Statistics* (database), accessed 5 July 2016 <http://dx.doi.org/10.1787/data-00072-en>.

Poland's whole-of-government approach in Ukraine could serve as a model for the rest of its co-operation

With the exception of its whole-of-government engagement in Ukraine (Annex C), Poland is still in the early stages of creating comprehensive development strategies for its partner countries and territories.⁴ Embassies in, or covering, a priority partner country or territory support the programme through the work of part-time development counsellors who manage small grants, conduct some project monitoring, engage in policy dialogue, and channel information about the country to headquarters. Polish project implementers – whether government or non-government – are not required to inform the embassy about their activities. However, it seems that they usually do according to feedback from embassy staff consulted for this review.

The Department of Development Cooperation recognises that there is scope for Poland to develop more strategic bilateral partnerships on development co-operation. At the same time, it needs to be pragmatic and realistic about what it can achieve and commit to given the relatively small budget envelope for partner countries, the fragmented nature of its portfolio of annual projects and the seemingly weak prospects for scaling-up bilateral aid (Chapter 3). Nevertheless, the growing foreign policy emphasis on economic diplomacy and interest in linking this objective with development co-operation could be an opportunity for Poland to start developing complementary and whole-of-government approaches in partner countries.

The MFA's organisational structure reflects its key functions and the current business model

Roles and responsibilities are clear across the development co-operation system: the MFA sits at the heart of the system, and its tasks are clear as outlined in Article 13 of the Act. The Ministry of Finance has specific responsibilities while other government departments and public institutions tend to be implementers – through technical assistance, scholarships and training (Annex B, Figure B.1).

Within the Ministry of Foreign Affairs, the Department of Development Cooperation has built a functioning structure for development co-operation and works closely with embassies, and the part-time development counsellors, in partner countries (Annex B, Figure B.2).⁵ Thematic experts straddle the various units, partly because they also fill other functions. The current set-up and management system reflect the main channels and objectives of Polish development co-operation and the projectised business model. However, this business model carries high administrative costs stemming from the need to manage five annual calls for proposals, project contracting, monitoring and reporting. In 2015, the department integrated programming and implementation functions into the same unit in an attempt to increase quality and consistency and to promote institutional learning. According to the MFA, achieving these objectives is proving difficult in practice because staff time is taken up managing and administering projects rather than planning, programming and developing tools and instruments (e.g. project management guidelines) for delivering development co-operation more efficiently and for greater impact.

The MFA recognises that it needs to adapt its business model in order to deliver Polish aid in a more efficient, flexible and innovative way (Chapter 5).⁶ Identifying the optimal model and organisational set-up and key capabilities for delivering bilateral aid is a work-in-progress. The administration debates from time-to-time whether having an implementing agency with dedicated project and programme management and other technical expertise, would help overcome challenges with implementing the multiannual programme. At the same time, Poland is also being pragmatic given the relatively small size of bilateral aid and the costs that come with setting up and running an agency. It is also aware that it can potentially find other ways to address challenges with delivering the programme and administrative costs.⁷ Whatever the decision, Poland needs to re-think its

business model for delivering development co-operation and ensure that it has the key capabilities it needs to increase efficiency and development impact.

Adaptation to change

Indicator: The system is able to reform and innovate to meet evolving needs

Poland's development co-operation is becoming increasingly valued as an instrument for responding to global and regional challenges. To respond effectively to new demands, there seems to be growing awareness within the Ministry of Foreign Affairs that the system needs to be more flexible, creative and capable, while also capitalising on Poland's comparative advantage.

The Department of Development Cooperation can adjust its structure as needs evolve

The Department of Development Cooperation has the flexibility to adjust the organisational set-up according to changing needs, as shown by the recent re-organisation of the department described in the Memorandum (MFA, 2016). The department's management team and political leadership are reflecting on how the organisational set-up and business model should evolve in the future. In order to build a case and win political support for reform, they will need to identify and communicate the constraints and risks inherent in the current structures and systems.

The system can change and innovate in response to partner country demands and changing priorities

In its Multiannual Development Cooperation Programme 2016-2020 Poland recognises that development co-operation needs to evolve in a changing world. Within the MFA, there is an appetite for stepping up efforts to make Polish development co-operation more innovative and responsive. However, rules governing Polish aid's key delivery channels (e.g. NGOs) can discourage innovation. For example, the MFA must rely on the available capacity of Polish implementing partners, and detailed contracting, financing and accounting rules administrative costs and leave little room for flexibility to adapt to changing contexts (Chapter 5).

Nevertheless, Poland's recent success in scaling up and providing a strategic development co-operation response following demands from the Government of Ukraine shows that it can work more flexibly (Annex C). In addition to capitalising on its own transformation experience, deep historical ties and understanding of the context in Ukraine, Poland was capable of using its various aid modalities to provide a relevant, timely and flexible response with a long-term perspective (though planning remains annual). While the drivers of response may be unique, it can still serve as a model for more innovative co-operation with other partner countries.

Human resources

Indicator: The member manages its human resources effectively to respond to field imperatives

The Ministry of Foreign Affairs has built up its development capacity over the past five years and now has a core cadre of development staff in the Department of Development Cooperation. Current key staffing issues facing the ministry and the department include providing incentives to keep staff in posts for a reasonable length of time; being able to hire the right expertise as programme needs evolve; and providing staff with development co-operation training opportunities.

The Department of Development Cooperation needs the right incentives to encourage staff to stay in posts

Polish development co-operation appears to be well-staffed, with about 81 Poland-based employees dedicated to development co-operation across the system. Over half of these employees work in the DDC, an additional 16 full-time employees are responsible for development co-operation in embassies and permanent representations and about 33 part-time employees work on the small grants projects (MFA, 2016).

Human resource management at the department is shaped, as in other DAC member countries, by the Ministry of Foreign Affairs' overall human resource policy and management system. According to senior management within the ministry, it is considering developing a human resource cadre comprising generalists with some specialisation. As it takes this agenda forward, it should consider including development co-operation as a specialisation, especially as it is growing in policy relevance (Chapter 2) and diplomats appear increasingly interested in working on it.

Since 2011, the DDC has built up a core cadre of staff interested in pursuing careers in development co-operation and whose development expertise is deepening. The Director of the department also has some say in rotation decisions for embassies in partner countries and is responsible for recruiting ministry staff into the department. At the same time, it must recruit from the pool of staff available within the ministry which tends to be generalists with limited experience and exposure to development co-operation and the more technical aspects of project management.

The main human resource challenge for the department is therefore to acquire and retain the development expertise it needs. According to the DDC, project management and implementation is less attractive to diplomats than the more political work of the ministry and there are few incentives to keep them in posts for a reasonable length of time. In addition, limited staff mobility between Polish ministries and resource constraints for hiring Polish consultants make it difficult for the department to hire in external expertise. As it takes on new priorities and modernises its business model, the department will need to acquire, build or have access to new competencies. These include greater technical capacity in programming and project cycle management, humanitarian assistance and migration issues, results-based and risk management, and quality and financial control. A first step in making project management more attractive would be to give the department resources for project managers to monitor projects directly in partner countries and gain an insight into development co-operation in practice.

The MFA needs to invest in staff training in development co-operation

The Department of Development Cooperation does not have dedicated resources for training. Moreover, Polish universities do not offer courses and trainings on development co-operation, although Warsaw University is a member of the Network on Humanitarian Action (NOHA) – an international association of universities that aims to enhance professionalism in the humanitarian sector.⁸ Staff development at the Ministry of Foreign Affairs, the department and in embassy consists of information sessions with Ambassadors ahead of their postings to developing countries. In addition the Diplomatic Academy and Civil Service Academy cover development as a topic for young diplomats.

The MFA plans to integrate staff training into its internal human resource management. The DDC should use this as an opportunity to include training on key aspects of development co-operation. Most DAC members have developed a range of relevant and transferrable training material that Poland could borrow or use. In addition, it should consider joining international networks that conduct training on development, for example the Learn4Dev network on Joint Competence for Development (www.learn4dev.net/).

Notes

1. These international good practices include the EU Consensus on Development, the Busan Partnership for Effective Development Co-operation, Agenda 2030 and the Addis Ababa Action Agenda on Financing for Development.
2. Of this, the Solidarity Fund gets about 10%; flagship scholarships 20%; TV in Belarus 15%; HA 5% NGOs; small grants; ministries; global education. Most allocations based on historical amounts. Senegal has 300K in 2016 for two NGO projects.
3. Members are listed in page 33 of Poland's Memorandum to the peer review (MFA, 2016).
4. At present it sets out two or three thematic priorities for each partner in the multiannual programme and annual plan, which serve as a guide for implementing bodies when submitting projects through calls for proposals.
5. The role of the embassy and development counsellor is to engage in dialogue with partners; monitor projects; and engage in EU dialogue. Development counsellors are consulted for calls for proposals and for training programmes; they check project proposals from the perspective of local needs.
6. For example, through more government-to-government support and a stronger field presence; partnerships with civil society and the private sector; multiannual programme-based approaches, including EU joint programming; and having more targeted demand-driven projects. The MFA engages in an annual framework agreement with the Solidarity Fund which has the authority to re-grant to NGOs. While this framework agreement is a form of programmatic support, Polish aid does not generally engage in strategic partnerships or programmatic funding.
7. Other options for reinforcing technical project management and implementation capabilities and thematic expertise could include capitalising further on the skills within line ministries, delegating bilateral projects to other providers, recruiting consultants, and capitalising on more flexible instruments already at the MFA's disposal, such as the Solidarity Fund.
8. More information available at: <http://noha.uw.edu.pl/master-programme-in-humanitarian-action/future-proof-studies/>.

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